

*Kuwait Domestic CLUB
LICENSING REGULATIONS
Season 2023 / 2024*



Contents

Definitions.....	3
Article 1: Introduction and Scope of Application.....	7
Article 2: Objectives.....	7
Article 3: Criteria Gradation.....	7
Article 4: Exceptions Policy.....	8
Article 5: Licensor.....	8
Article 6: The Licensing Administration.....	8
Article 7: The Decision-Making Bodies.....	9
Article 8: Catalogue of Sanctions.....	10
Article 9: The Core Process.....	10
Article 10: Assessment Procedures.....	11
Article 11: Equal Treatment and Confidentiality.....	11
Article 12: Licence Applicant and Two-Year Rule.....	11
Article 13: Responsibilities of the Licence Applicant.....	11
Article 14: Licence.....	12
Article 15: Extraordinary Application.....	12
Article 16: Sporting Criteria.....	12
Article 17: Infrastructure Criteria.....	15
Article 18: Personnel and Administrative Criteria.....	17
Article 19: Legal Criteria.....	22
Article 20: Financial Criteria.....	24
Article 21: Final Provisions.....	30

Definitions

KFA Club Licensing Regulations	It is the working document that clarifies the club licensing regulations in the Kuwait Football Association and the directives contained in these regulations, which provide the licensing body and license applicants with a better understanding of the applicable standards and standardized evaluation procedures related to financial standards, these regulations provide details of the requirements and minimum requirements. These regulations consist of five types of standards and a main process. The requirements of the AFC Club Licensing Regulations shall be conveyed in the “The Domestic Club Licensing Regulations.”
Accounting Policies	The specific principles, bases, conventions, rules and practices adopted by an entity in preparing and presenting its financial statements.
Kuwait FA’s Clubs Competitions	Premier League, First Division League, KFA Cup, H.H. Prince Cup, H.H. Crown Prince Cup
AFC Club Licensing Financial Handbook	The handbook issued by the AFC which provides operational and technical guidance in relation to the financial criteria in these Regulations. It is a compilation of explanations and templates to support the Licence Applicant in complying with the financial criteria.
KFA Stadium Regulations	These regulations set out the minimum requirements for a Stadium to be eligible to host matches in KFA’s Club competitions.
Annual Financial Statements	A complete set of financial statements prepared as at the Statutory Closing Date, normally including a balance sheet, profit and loss account, a statement of cash flows and those notes, other statements and explanatory material that are an integral part of the financial statements.
KFA Sport Season	Season 2023/2024 (Current)
Audit	<p>The objective of an audit of financial statements is to enable the auditor to express an opinion whether the financial statements are prepared, in all Material respects, in accordance with an identified financial reporting framework. The phrases used to express the auditor’s opinion are “give a true and fair view” or “present fairly, in all material respects”, which are equivalent terms. A similar objective applies to the audit of financial or other information prepared in accordance with appropriate criteria.</p> <p>In an audit engagement, the auditor provides a high but not absolute, level of assurance that the information subject to audit is free of Material misstatement. This is expressed positively in the audit report as reasonable assurance.</p> <p>The term “Audited” shall be interpreted accordingly.</p>
Budget	The schedules containing an entity’s Future Financial Information, based on management’s assumptions about events that may occur in the future and possible actions by an entity.
Consolidated Financial Statement(s)	Financial statements of a Group presented as those of a single economic entity.
CLAS or Club Licensing Administration System	The IT system developed by the AFC for the purpose of gathering information from Licence Applicants/Licensees and for sharing information with Licensors concerning their affiliated clubs, within the scope of the implementation, assessment and enforcement of these Regulations.
Control	<p>The power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Control may be gained by share ownership, statutes or agreement.</p> <p>The terms “Controlled” and “Controlling” shall be interpreted accordingly.</p>

Club Licensing Criteria	The requirements applicable to the grant of Licences to Licence Applicants, as set out in these Regulations, which are divided into five categories (sporting, infrastructure, personnel and administrative, legal and financial).
Financial Year	The financial reporting period ending on the Statutory Closing Date, whether this is a year or not, and which is not an Interim Period.
Licence	Certificate granted by the Licensor confirming fulfilment of all minimum Club Licensing Criteria by the Licence Applicant as part of the admission procedure for entering KFA club competitions.
Licence Applicant	Legal entity fully and solely responsible for the football team participating in national and international club competitions which applies for a Licence.
Licensee	Licence Applicant that has been granted a Licence by its Licensor.
Licensing Administration	The staff within the Licensor that deals with club licensing matters.
Licence Season	KFA season for which a Licence Applicant has applied for/been granted a Licence. It starts the day following the deadline for submission of the List of Licensing Decisions by the Licensor to the AFC and lasts until the same deadline the following year.
Licensor	The Body that operates the club licensing system and grants the Licences in accordance with these Regulations.
List of Licensing Decisions	The list submitted by the Licensor to the AFC containing, among other things, information about the Licence Applicants that have undergone the licensing process and been granted or refused a Licence by the national decision-making bodies in the format established and communicated by the AFC General Secretariat.
Reporting Entity/ Entities	A Registered Member and/or football company or Group of entities or some other combination of entities which is included in the reporting perimeter and which must provide the Licensor with information for club licensing purposes.
Stadium	The venue for a competition match including, but not limited to, all surrounding properties and facilities (for example, offices, hospitality areas, press centre and accreditation centre).
Statutory Closing Date	The annual accounting reference date of the Reporting Entity.
Training Facilities	The venue(s) at which a club's registered players undertake football training and/or youth development activities on a regular basis.
License Procedures	The procedures by which the Licence is granted.
Cash & Equivalents	It consists of actual cash and demand deposits. Cash equivalents are short-term, highly liquid investments that can be converted into specific amounts of cash and are subject to an insignificant risk of change in their value.
The Core Process	The minimum requirements that the licensor must apply to verify compliance with the criteria mentioned in the Regulations as a basis for granting the license to the applicant.
Deadline to submit a list of licensed clubs to the Kuwait Football Association	The date on which the licensor must provide the Kuwait Football Association with a list of clubs that have been granted licenses by local decision-making bodies. This date is determined by the Kuwait Football Association every year and the licensor are informed of that date.
Deadline to submit applications to the licensor	The date on which the licensor requires clubs wishing to obtain a license to submit all the documents required to obtain that license.
ACC	The AFC Cup.
ACL	The AFC Champions League.
AFC Stadium Regulations	These regulations set out the minimum requirements for a Stadium to be eligible to host matches in AFC competitions.
Associate	An entity, including an unincorporated entity such as a partnership, over which

	the investor has Significant Influence and that is neither a Subsidiary nor an interest in a Joint Venture.
Future Financial Information	Information about the prospective financial effects of future events and possible actions on the entity concerned.
Going Concern	The 'going concern' concept, or assumption, is an accountancy term that describes an entity which can continue operating without the significant threat of liquidation, and which can therefore continue in operation for the foreseeable future. A Reporting Entity is normally viewed as a Going Concern. It is assumed that the Reporting Entity has neither the intention nor the necessity of liquidation, ceasing trading nor seeking protection from creditors pursuant to laws or regulations.
Group	A Parent and all its subsidiaries.
Historic Financial Information	Information about the financial effects of past events on the entity concerned. Historic Financial Information is in respect of the financial performance and position prior to the licensing decision.
Interim Financial Statements	A financial report containing either a complete set of financial statements or a set of condensed financial statements for an Interim Period.
Interim Period	A financial reporting period shorter than a Financial Year. It does not necessarily have to be a six-month period.
Joint Venture	A contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.
Material or Materiality	Omissions or misstatements of items or information are Material if they could, individually or collectively, influence the decisions of users taken on the basis of the financial information submitted by the Licence Applicant/Licensee. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances or context. The size or nature of the item or information, or a combination of both, could be the determining factor.
Parent	An entity that has one or more subsidiaries.
Registered Member	Any legal entity according to national law and/or AFC Member Association statutes, which is member of the AFC Member Association and/or its affiliated league.
Review	<p>The objective of an engagement to review financial information is to enable an auditor to express a conclusion whether, on the basis of the review, anything has come to the auditor's attention that causes the auditor to believe that the financial information is not prepared, in all Material respects, in accordance with an identified financial reporting framework.</p> <p>A review, in contrast to an Audit, is not designed to obtain reasonable assurance that the financial information is free from Material misstatement. A Review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A Review may bring significant matters affecting the financial information to the auditor's attention but it does not provide the evidence that would be required for an audit.</p>
Significant Change	An event that is considered Material to the documentation previously submitted to the Licensor and that would require a different presentation if it had occurred prior to the submission of the licensing documentation.
Significant Influence	Ability to influence but not control financial and operating policy decision-making. Significant Influence may be gained by share ownership, statute or agreement. For the avoidance of doubt, a party or in aggregate parties with the same ultimate controlling party (excluding AFC, an AFC Member Association and an affiliated league) is deemed to have Significant Influence if it provides within a reporting period an amount equivalent to thirty percent (30%) or more of the Licensee's total revenue.
Subsequent Events	Events or conditions occurring after the licensing decision.

Subsidiary	An entity, including an unincorporated entity such as a partnership that is Controlled by another entity (known as the Parent).
Supplementary Information	<p>Financial information to be submitted to the Licensor in addition to the financial statements if the minimum requirements for disclosure and accounting are not met.</p> <p>The supplementary information must be prepared on a basis of accounting, and Accounting Policies, consistent with the financial statements. Financial information must be extracted from sources consistent with those used for the preparation of the Annual Financial Statements. Where appropriate, disclosures in the supplementary information must agree with, or be reconciled to, the relevant disclosures in the financial statements.</p>
Event or Condition of Major Economic Importance	An event or condition is of major economic importance if it is considered Material to the financial statements of the Reporting Entity and would require a different (adverse) presentation of the results of the operations, financial position and net assets of the Reporting Entity if it had occurred during the preceding Financial Year or Interim Period.
<p>For the purposes of these Regulations, and provided the context so permits:</p> <ul style="list-style-type: none"> a) the singular shall include the plural and vice-versa; b) the masculine gender shall include the feminine and vice-versa; c) references to natural persons shall include any legal person or corporation; and d) all defined terms, unless otherwise stated herein, shall bear the same meaning as ascribed to them in the AFC Statutes. 	

Article 1: Introduction and Scope of Application

1. These Regulations have been adopted by Kuwait FA.
2. These Regulations apply whenever expressly referred to in specific regulations and other rules governing club competitions to be played under the auspices of the Kuwait FA.
3. These Regulations govern the rights, duties and responsibilities of all parties involved in the KFA club licensing system and define in particular:
 - a) the minimum requirements to be fulfilled by an AFC Member Association in order to act as a Licensor for its clubs, as well as the minimum procedures to be followed by the Licensor in the assessment of the Club Licensing Criteria;
 - b) the Licence Applicant and the Licence required to enter the relevant KFA club competition(s); and
 - c) the minimum sporting, infrastructure, personnel and administrative, legal and financial criteria to be fulfilled by a club in order to be granted a Licence by a Licensor as part of the admission procedure to enter the relevant Kuwait FA club competition(s).

Article 2: Objectives

These Regulations aim to:

- a) safeguard the credibility and integrity of all club football competitions in Kuwait;
- b) allow the development of benchmarking of clubs in sporting, infrastructure, personnel and administrative, legal and financial related criteria throughout Kuwait;
- c) continuously improve the standard of all aspects of football in Kuwait and to give priority to the training and care of young players in every club;
- d) ensure that clubs have an adequate level of management;
- e) improve the financial capability of the clubs, increasing their transparency and credibility, and place the necessary importance on the protection of creditors and to ensure that clubs settle their liabilities with employees, social/tax authorities and other clubs punctually; and
- f) improve clubs' sporting infrastructure to provide the various stakeholders with well-equipped and safe Stadiums and facilities.

Article 3: Club Licensing Criteria

1. The Criteria defined in these Regulations must be fulfilled by clubs in order for them to be granted a Licence to enter the Kuwait FA's Domestic Competitions (as applicable).
2. The criteria described in these Regulations are graded into "A", "B" and "C" categories.
 - a) **A – Club Licensing Criteria Gradation**

These are mandatory criteria to be fulfilled by the Licence Applicant. If the Licence Applicant does not fulfill any of the A - Club Licensing Criteria, then it shall not be granted with a Licence to enter the relevant Kuwait FA's club competition(s).
 - b) **B – Club Licensing Criteria Gradation**

If the Licence Applicant does not fulfill any B – Club Licensing Criteria, then it shall be sanctioned as specified by

the Licensor for non-fulfillment of these criteria, however, the Licence Applicant may still receive a Licence to enter the relevant Kuwait FA's club competition(s).

c) **C – Club Licensing Criteria Gradation**

These Club Licensing Criteria are best practice recommendations.

3. The Licensor is free to increase the minimum requirements or to upgrade the criteria gradation established by the AFC for the purposes of entering the AFC and/or the national club competitions. The Licensor may also introduce additional Club Licensing Criteria not included in the KFA Domestic Club Licensing Regulations. For this purpose, any increase to the minimum requirements, upgrade of the criteria gradation or introduction of additional minimum Club Licensing Criteria shall not be inconsistent with these Regulations.
4. Where introduced by the Licensor in its national licensing regulations, any increased minimum requirements, upgraded or additional criteria will be applicable to enter into the relevant Kuwait FA's club competition(s).

Article 4: Exceptions Policy

The AFC General Secretariat may grant an exception to any provisions in these Regulations within the limit as set out in Annex 3 of the AFC Club Licensing Regulations.

Article 5: Licensor

1. The Licensor is an AFC Member Association and governs the club licensing system. The Licensor is obliged to use the CLAS to govern the club licensing system.
2. Under certain conditions (described in AFC Club Licensing Regulations 2022), an AFC Member Association may delegate the club licensing system to its affiliated league(s). The AFC Member Association shall remain liable and responsible for the proper implementation of the club licensing system regardless of whether there is a delegation or not.
3. The Licensor governs the licensing system, appoints the licensing bodies and determines the necessary processes.
4. The Licensor shall ensure that all applicable provisions defined in the AFC Club Licensing Regulations are integrated into its national \ domestic club licensing regulations which must be submitted in English to the AFC General Secretariat on CLAS for accreditation.
5. In particular, the Licensor must:
 - a) establish an appropriate Licensing Administration as defined in Article 6;
 - b) establish at least two decision-making bodies as defined in Article 7;
 - c) set up a catalogue of sanctions as defined in Article 8;
 - d) define the core process as defined in Article 9;
 - e) assess the documentation submitted by the Licence Applicants, consider whether this is appropriate and define the assessment procedures in accordance with Article 10;
 - f) ensure equal treatment of all clubs applying for a Licence and guarantee the clubs full confidentiality with regard to all information provided during the licensing process as defined in Article 11;
 - g) strictly follow the core process;
 - h) determine whether each criterion has been met and what further information, if any, is needed for a Licence to be granted.

Article 6: The Licensing Administration

1. The Licensor must appoint a licensing manager who is responsible for managing the Licensing Administration.

2. The tasks of the Licensing Administration include:
 - a) preparing, implementing and further developing the club licensing system;
 - b) accessing and administering the CLAS;
 - c) providing training and support for the Licence Applicants in using CLAS;
 - d) providing administrative support to the decision-making bodies;
 - e) assisting, advising and monitoring the Licensees during the License Season;
 - f) informing the AFC of any event occurring after the licensing decision that constitutes a Significant Change to the information previously submitted to the Licensor;
 - g) serving as the contact point for and sharing expertise with the licensing departments of other AFC Member Associations and with AFC.
3. Within the Licensing Administration, at least one staff member or an external financial adviser must have a financial background and a diploma in accountancy/auditing recognised by the appropriate national body (e.g. national trade association) or must have several years' experience in the above matters.

Article 7: The Decision-Making Bodies

1. The decision-making bodies are the First Instance Body and the Appeals Body. These bodies must be independent of each other and the Licensor.
2. The First Instance Body decides on whether a Licence should be granted to an applicant on the basis of the documents provided by the submission deadline set by the Licensor and on whether a Licence should be withdrawn upon the application of the licensing manager.
3. The Appeals Body decides on appeals and makes a final decision on whether a Licence should be granted or withdrawn.
4. Appeals may only be lodged by:
 - a) a Licence Applicant who received a refusal from the First Instance Body;
 - b) a Licensee whose Licence has been withdrawn by the First Instance Body; or
 - c) the Licensor, the competent body of which must be defined (e.g. licensing manager).
5. The Appeals Body shall make its decision based on the decision of the First Instance Body and only based on the evidence provided by the Licence Applicant or Licensor before the First Instance Body. A request for appeal shall be made by the set deadline.
6. If an AFC Member Association has an independent arbitration tribunal specified in its statutes, then that tribunal shall be the final appellate authority. If the AFC Member Association does not have an independent arbitration tribunal then the Court of Arbitration for Sport (CAS) shall be the final appellate authority. In this respect, particular attention must be paid to the relevant deadlines for entering the AFC club competitions.
7. Members of the decision-making bodies shall be elected or appointed in accordance with the relevant AFC Member Association's statutes and must:
 - a) act impartially in the discharge of their duties;
 - b) abstain if there is any doubt as to their independence from the Licence Applicant or if there is a conflict of interest. In this regard the independence of a member may not be guaranteed if he/she or any member of his/her family (spouse, child, parent or sibling) is a member, shareholder, business partner, sponsor or consultant of the Licence Applicant;
 - c) not act simultaneously as licensing manager;
 - d) not belong simultaneously to a judicial statutory body of the Licensor;

- e) not belong simultaneously to the executive body of the AFC Member Association or its affiliated league;
 - f) not belong simultaneously to the management personnel of an affiliated club;
 - g) include at least one qualified lawyer and one qualified financial expert holding a qualification recognised by the appropriate national professional body.
8. The quorum of the decision-making bodies must be at least three (3) members. In case of a tie, the chairperson has the casting vote.
 9. The decision-making bodies must operate according to the principles of natural justice and must as a minimum regulate the following standards:
 - a) deadlines (e.g. submission deadline, etc.);
 - b) safeguards of the principle of equal treatment;
 - c) representation (e.g. legal representation, etc.);
 - d) the right to be heard (e.g. convocation, hearing);
 - e) official language (if applicable);
 - f) time limit for requests (e.g. calculation, compliance, interruption, extension);
 - g) time limit for appeal;
 - h) effects of appeal (e.g. no delaying effect);
 - i) type of evidence requested;
 - j) burden of proof (e.g. Licence Applicant has burden of proof);
 - k) decision (e.g. in writing with reasoning, etc.);
 - l) grounds for complaints;
 - m) content and form of pleading;
 - n) deliberation/hearings;
 - o) cost of procedure/administrative fee/deposit.

Article 8: Catalogue of Sanctions

1. To guarantee an appropriate assessment process, the AFC Member Association (Kuwait FA) must:
 - a) set up a catalogue of sanctions for the club licensing system to apply in respect of any non-compliance with the criteria referred to in these Regulations (as applicable), which may include a caution, a fine, the obligation to submit evidence or to fulfil certain conditions by a deadline;
 - b) refer to the national disciplinary regulations in respect of violations of the licensing regulations where appropriate (e.g. submission of false documents, non-respect of deadlines, sanctions against individuals).
2. The following Kuwait FA's catalogue of sanctions for the club licensing system has been set up:
 - a) The FIB or the AB may impose on the license applicant one or more of the following penalties:
 - Caution · Warning · Extended deadline to fulfill criteria · Financial fines (to be decided by the KFA Board, Exco. or Judicial bodies) · Withhold or withdraw grants / prize money · Playing a match without spectators · Ban on playing in a particular stadium · Withdrawal of the license.
 - b) The Club Licensing Manager, the FIB or the AB may refer any matter to the judicial committees of the Kuwait Football Association in the event that the license applicant or the licensee is suspected of violating one of the provisions of the Discipline and Ethics Regulations and other regulations of FIFA, the AFC and the Kuwait FA. Such as: submitting false documents, not respecting deadlines, etc.).

Article 9: The Core Process

1. The Licensor must define the core process for the verification of the applicable criteria for issuing Licences.
2. The core process starts at a time defined by the Licensor and ends on submission of the List of Licensing Decisions to the Kuwait FA General Secretariat by the deadline fixed by the Kuwait FA.
3. The core process consists of the following minimum key steps:

- a) distribution of the licensing documentation to the Licence Applicants;
 - b) return of the licensing documentation to the Licensor;
 - c) assessment of the documentation by the Licensing Administration;
 - d) assessment and decision by the decision-making bodies;
 - e) submission of the List of Licensing Decisions to the Kuwait FA General Secretariat.
4. The deadlines for the above key process steps must be clearly defined and communicated to the clubs concerned in a timely manner by the Licensor.

Article 10: Assessment Procedures

The Licensor defines the assessment procedures, except those defined under these Regulations for which specific assessment processes must be followed as set out therein.

Article 11: Equal Treatment and Confidentiality

1. The Licensor shall ensure equal treatment of all Licence Applicants during the core process.
2. The Licensor shall guarantee the Licence Applicants full confidentiality with regard to all information submitted during the licensing process. Anyone involved in the licensing process or appointed by the Licensor shall sign a confidentiality agreement before assuming their tasks.

Article 12: Licence Applicant and Two-Year Rule

1. A Licence Applicant shall only be a football club, i.e. a legal entity fully responsible for a football team participating in national and international competitions which either:
 - a) is a Registered Member of an AFC Member Association and/or participates in its affiliated league(s); or
 - b) is a football company which has a contractual relationship with a Registered Member.
2. The membership and/or the contractual relationship must have lasted at the start of the licensing process for at least two consecutive years.
3. Any change to the legal form, legal Group structure (including a merger with another entity or transfer of football activities to another entity) or identity (including headquarters, name or colours) of a Licence Applicant during this period to the detriment of the integrity of a competition or to facilitate the Licence Applicant's qualification for a competition on sporting merit or its receipt of a Licence is deemed as an interruption of membership or contractual relationship (if any) within the meaning of this provision.

Article 13: Responsibilities of the Licence Applicant

1. The Licence Applicant must provide the Licensor with:
 - a) all necessary information and/or relevant documents to fully demonstrate that the licensing obligations are fulfilled; and
 - b) any other document relevant for decision-making by the Licensor.
2. This includes information on the Reporting Entity/Entities in respect of which sporting, infrastructure, personnel and administrative, legal and financial information is required to be provided.
3. Any event occurring after the submission of the licensing documentation to the Licensor representing a Significant Change to the information previously submitted must be promptly notified to the Licensor, especially a change of legal form, legal Group structure or identity.

Article 14: Licence

1. Clubs which qualify for a Kuwait FA club competition on sporting merit must obtain a Licence issued by their Licensor according to the Kuwait FA accredited club licensing regulations for that competition, except where Article 15 applies.
2. A Licence expires without prior notice at the end of the season for which it was issued.
3. A Licence cannot be transferred.
4. A Licence may be withdrawn by the Kuwait FA or the Licensor's decision-making bodies if:
 - a) any of the conditions for the issuing of a Licence are not satisfied; or
 - b) the Licensee violates any of its obligations under these Regulations and/or the AFC accredited club licensing regulations.
5. The KFA Administration shall make all final decisions in this regard.
6. As soon as a Licence withdrawal is envisaged, the AFC Member Association must inform the AFC General Secretariat accordingly.

Article 15: Extraordinary Application

1. If a club qualifies for Kuwait FA club competition on sporting merit but has not undergone any licensing process at all or has undergone a licensing process which is lesser/not equivalent to the Licence required for the competition it became eligible for, the Licensor of the club concerned may on behalf of such a club request an extraordinary application of the club licensing system in accordance with AFC Club Licensing Regulations 2022.
2. Based on such an extraordinary application, Kuwait FA may grant special permission to the club to enter the corresponding Kuwait FA club competition subject to the relevant Kuwait FA club competition regulations. Such an extraordinary application applies only to the specific club and for the season in question.
3. The Kuwait FA Administration shall make all final Kuwait FA decisions in this regard.

Article 16: Sporting Criteria

S.01	Domestic KFA Competitions Criteria	
Youth Development Programmes (YDP)	A	
<ol style="list-style-type: none">1. The Licence Applicant must have a written youth development programme approved by the Licensor. The Licensor must evaluate the quality of the youth development programme before approving it and verify the implementation by periodic visits to the training and games.2. The programme must cover at least the following areas:<ol style="list-style-type: none">a) Objectives, youth playing philosophy and youth development philosophy;b) Organisation of youth sector (organisational chart, bodies involved, relation to Licence Applicant, youth teams, etc.);c) Personnel (technical, medical, administrative, etc.) and minimum qualifications required;d) Infrastructure available for youth sector (training and match facilities, etc);e) Financial resources (available Budget, contribution by Licence Applicant, players or local community, etc.);f) Football education programme for the different age Groups (psychological, technical, tactical and physical);g) Education programmes (Laws of the Game, anti-doping, integrity, anti-racism);h) Medical support for youth players (including medical checks);i) Individual performance evaluation of players in the programme;j) Review and feedback process to evaluate the results and the achievements of the set objectives; andk) Validity of the programme (at least three years but maximum seven).		

3. The Licence Applicant must further ensure that:
- every youth player involved in its youth development programme has the possibility to follow mandatory school education in accordance with national law; and
 - no youth player involved in its youth development programme is prevented from continuing their non-football education.

S.02	Domestic KFA Competitions Criteria	
Youth Teams	A	

1. The Licence Applicant must at least have the following youth teams within its legal entity, another legal entity included in the reporting perimeter or a club affiliated to its legal entity:
- At least two youth teams of different age groups within the age range of 15 to 21;
 - At least one youth team within the age range of 10 to 14;
 - At least one under 10 team; and
 - Each youth team, except the under 10s, must take part in official competitions or programmes played at national, regional or local level and recognised by the AFC Member Association.

S.03		
Medical Care of Players	A	

1. The Licence Applicant shall provide all players registered in the club with full access to medical support services. These shall include, but not limited to the following:
- yearly medical examination including cardio vascular screening for all its players in its first squad;
 - yearly medical examination for all players above the age of 12; and
 - comprehensive medical insurance coverage for contracted players.

S.04	Domestic KFA Competitions Criteria	
Educational Programmes	B	

1. The Licence Applicant must ensure that players and all technical coaching staff of at least the first squad have attended a session or an event related to:
- sports integrity matters;
 - FIFA Laws of the Game;
 - doping control; and
 - other topics as required by the AFC.
2. These sessions or events must be provided either by the Licence Applicant, AFC Member Association or a third party in collaboration with the Licence Applicant / AFC Member Association, during the year prior to the season to be licensed.

S.05		
Registration Of Players	B	

1. All the Licence Applicant's players, including youth players above the age of 10, must be registered with the AFC Member Association and/or its affiliated league in accordance with the relevant provisions of the FIFA Regulations on the Status and Transfer of Players.

S.06	Domestic KFA Competitions Criteria	
Racial Equality Practice	B	
<p>1. The Licence Applicant must establish a policy to tackle racism in football. All players and staff of the Licence Applicant shall acknowledge the policy by signing the policy document.</p>		

S.07	Domestic KFA Competitions Criteria	
Grassroots Programmes	C	
<p>1. Children, youths, amateurs, veterans, those with learning or physical disabilities and the socially disadvantaged shall be included in the grassroots programmes.</p> <p>2. The main objectives of the Licence Applicant's grassroots football programme shall be to encourage mass participation, stimulating greater interest in the game, providing more opportunities for social inclusion, supporting healthy lifestyles and the development of young people, both the sporting and educational aspects.</p>		

S.08	Domestic KFA Competitions Criteria	
Child Protection and Welfare	C	
<p>1. The Licence Applicant must establish and apply measures, in line with any relevant AFC policies and guidelines, to protect and safeguard children from potential abuses and to promote their wellbeing within football when participating in activities organised by the Licence Applicant. The Licence Applicant should work with locally based child protection expertise and have a child safeguarding officer within its administration to develop and implement such measures, including having a child safeguarding policy.</p>		

S.09	Domestic KFA Competitions Criteria	
Women's Team	C	
<p>1. The Licence Applicant must have at least one women's team within its legal entity or another legal entity included in the reporting perimeter.</p> <p>2. The women's team must take part in official competitions played at national, regional or local level and recognised by the AFC Member Association.</p>		

S.10	Domestic KFA Competitions Criteria	
Corporate Social Responsibility (CSR) Programmes	C	

1. The Licence Applicant to establish strategies and implementation programmes to promote the club, the game and to address current issues in football and society.
2. Support should be provided for initiatives and campaigns to implement strategies and programmes as promulgated by either the Licence Applicant, the AFC Member Association, AFC and FIFA.
3. Such programmes connect and create links with the community which will facilitate the following:
 - a) establishment and enlargement of their fan base;
 - b) creation of a pool of volunteers;
 - c) organisation of grassroots football activities, initiatives and events for and within the community;
 - d) creation of strong links with the community; and
 - e) creation of a market base for branding, merchandising, sponsors and commercial partners.

S.11	Domestic KFA Competitions Criteria	
Club Youth Academy	C	
<p>1. The Licence Applicant must establish a Club Youth Academy with the required infrastructure and facilities as prescribed in the AFC Elite Youth Scheme.</p>		

Article 17: Infrastructure Criteria

I.01	Domestic KFA Competitions Criteria	
Approved Stadiums for AFC Club Competitions	A	
<p>1. The Licence Applicant must have a Stadium available to play Kuwait FA club competitions. The Licence Applicant either:</p> <ol style="list-style-type: none"> a) owns the Stadium; or b) can provide a written contract with the owner of the Stadium it will use. This contract must guarantee the use of the Stadium for the AFC matches for the coming season, for which the Licence Applicant qualifies in sporting terms. <p>2. The Stadium must meet the requirements expressly referred to by the:</p> <ol style="list-style-type: none"> a) Kuwait FA Stadium Regulations; and b) respective Kuwait FA club competition regulations. <p>3. The Stadium must be approved by the Licensor and located in the same city where the Licence Applicant is based. If the Stadium is not located in the Licence Applicant's base city, a justifiable reason should be provided.</p>		

I.02	Domestic KFA Competitions Criteria	
Stadium – Safety Certification	A	
<p>1. The Stadium must be certified for safety. The certification is defined according to national/local law and must include provisions related to safety. If such law does not exist, the Licensor shall establish the content of the Stadium certificate and the procedure in close cooperation with the appropriate body/bodies (e.g. local security authorities, the local hospital, fire brigade, police, etc.)</p> <p>2. The certificate shall comply with the requirements in the AFC Safety and Security Regulations and must provide at least the following information:</p>		

- a) safety status of the Stadium structure and building fitness;
 - b) compliance statement regarding the safety/security regulations of the competent civil authority;
 - c) approval of the entire Stadium capacity (individual seats, terraces and total number);
 - d) approved evacuation plan which ensures that the whole Stadium can be emptied in a case of emergency according to the applicable national law;
 - e) a colour coded floor plan diagram showing the possible evacuation routes should be prominently displayed in the Stadium; and
 - f) an approved match security plan covering the organisational measures intended to ensure safety and security strategy covering all aspects of the organisation of a football match, such as ticket distribution system, screening of spectators, segregation strategy, crowd dispersal strategy, medical service, measures taken in case of fire, loss of power supply, or other emergency.
3. The certificate issued by the appropriate body shall be valid for a maximum of two (2) years and shall be valid throughout the licensing season.

1.03	Domestic KFA Competitions Criteria	
Stadium – Approved Evacuation Plan	A	
<ol style="list-style-type: none"> 1. The appropriate body (e.g. safety and security authority, competent civil authority or other qualified and approved firms, etc.) approves the evacuation plan which ensures that the whole Stadium can be emptied in case of an emergency according to the applicable national law. 2. If such law does not exist, the Licensor establishes the content of the evacuation plan, including an evacuation time and the approval body, in close cooperation with the appropriate civil body (e.g. local security authorities, the local hospital, fire brigade, police, etc.). 3. A colour coded floor plan diagram showing the possible evacuation routes should be prominently displayed in the Stadium. 4. Risk analysis specific to the Stadium. 5. The Security Officer, stewards and club & Stadium employees shall be briefed on the evacuation plan. 		

1.04	Domestic KFA Competitions Criteria	
Training Facilities – Availability	A	
<ol style="list-style-type: none"> 1. The Licence Applicant must have Training Facilities available throughout the year. The Licence Applicant either: <ul style="list-style-type: none"> a) owns the Training Facilities; or b) shall provide a written contract with the owner of the Training Facilities. 2. It must be guaranteed that the Training Facilities can be used by all teams of the Licence Applicant during the Licence Season, taking into account its youth development programme. 		

1.05	Domestic KFA Competitions Criteria	
Training Facilities for Player Development – Minimum Infrastructure	C	

1. As a minimum, the infrastructure of the Training Facilities for Player Development must include:

- a) outdoor Training Facilities;
- b) indoor Training Facilities;
- c) dressing rooms; and
- d) medical room(s) or direct access to first aid at the training site.

I.06	Domestic KFA Competitions Criteria	
Stadium – Ground Rules	C	

1. Each Stadium must have the ground rules affixed to it and visible to the spectators. These rules must provide information on at least the following:

- a) admission rights;
- b) abandonment or postponement of events;
- c) description of prohibitions and penalties, such as entering the field of play, throwing objects, use of foul or abusive language, racist behaviour, etc;
- d) restrictions with regard to smoking, alcohol, fireworks, banners, etc;
- e) seating rules; and
- f) causes for ejection from the ground.

Article 18: Personnel and Administrative Criteria

P.01	Domestic KFA Competitions Criteria	
Club Secretariat	A	

1. The Licence Applicant must have an office space sufficiently spacious to run its administration with the required infrastructure.
2. The Licence Applicant must have appointed adequate number of skilled secretarial staff according to its needs to run its daily business.
3. It must ensure that its office is open to communicate with the Licensor and the public and that it is equipped, as a minimum, with phone, fax, email facilities and a website.

P.02	Domestic KFA Competitions Criteria	
General Manager	A	

1. The Licence Applicant must have appointed a General Manager being responsible for running its daily business (operational matters).
2. The appointment must have been done by the appropriate body (e.g. Executive Board) of the Licence Applicant.

P.03	Domestic KFA Competitions Criteria	
Finance Officer	A	

1. The Licence Applicant must have appointed a qualified Finance Officer who is responsible for its financial matters.
2. The Finance Officer must hold as a minimum one of the following qualifications:
 - a) a degree in accountancy, finance or related field; or
 - b) a recognition of competence issued by an organisation recognised by the Licensor.

P.04	Domestic KFA Competitions Criteria	
Security Officer	B	

1. The Licence Applicant must have appointed a qualified Security Officer being responsible for safety and security matters.
2. The Security Officer must hold as a minimum one of the following qualifications:
 - a) a certificate as policeman or security person according to national law;
 - b) a safety and security diploma based on a specific course issued by the AFC Member Association or by a state recognised organisation; or
 - c) a recognition of competence approved by the AFC Member Association, which is based on the participation in specific safety and security course of the AFC Member Association and at least one (1) year experience in such matters.

P.05	Domestic KFA Competitions Criteria	
Media Officer	B	

1. The Licence Applicant must have appointed a qualified Media Officer being responsible for media matters.
2. The Media Officer must hold as a minimum one of the following qualifications:
 - a) diploma in journalism;
 - b) concluded a media officer education course provided by the AFC Member Association or an organisation recognised by the AFC Member Association; or
 - c) a recognition of competence approved by the AFC Member Association, which requires at least one (1) year experience in such matters.

P.06	Domestic KFA Competitions Criteria	
Medical Doctor	B	

1. The Licence Applicant must have appointed at least one doctor who is responsible for medical support during matches and training as well as for doping prevention.
2. The qualification of the Medical Doctor must be recognised by the appropriate national health authorities.
3. The Medical Doctor must be duly registered with the AFC Member Association and/or the affiliated league.

P.07	Domestic KFA Competitions Criteria	
Physiotherapist	B	

1. The Licence Applicant must have appointed at least one (1) Physiotherapist being responsible for medical treatment and massages for the first squad during trainings and matches.
2. The qualification of the Physiotherapist must be recognised by the appropriate national health authorities.
3. The Physiotherapist must be duly registered with the AFC Member Association and/or the affiliated league.

P.08	Domestic KFA Competitions Criteria	
Head Coach of First Team	A	

1. The Licence Applicant must appoint a Head Coach with a valid coaching diploma/licence responsible for all football matters of the first team.
2. The Head Coach must:
 - a) hold the Minimum Coach Education Requirement (MCER) as stipulated by the AFC Competition Operations Manual; or
 - b) hold a Recognition of Experience and Current Competence (RECC) issued by AFC in compliance with the RECC regulations for cases where the Head Coach of the first team does not have the required certification as defined under (a) above; or
 - c) already have started the required education course, recognized by AFC, to achieve the required diploma as defined under (a) above.
3. The Head Coach must be duly registered with the AFC Member Association and undertaken by the appropriate body of the Licence Applicant.

P.09	Domestic KFA Competitions Criteria	
Assistant Coach of First Team	C	

1. The Licence Applicant must appoint an Assistant Coach with a valid coaching diploma/licence assisting the Head Coach in all football technical matters of the first team.
2. The Assistant Coach must:
 - a) hold at least the Minimum Coach Education Requirements (MCER) as stipulated by the AFC Competition Operations Manual; or
 - b) hold a Recognition of Experience and Current Competence (RECC) issued by AFC in compliance with the RECC regulations for cases where the Assistant Coach of the first team does not have the required certification as defined under (a) above; or
 - c) already have started the required education course, recognized by AFC, to achieve the required diploma as defined under (a) above.
3. The Assistant Coach must be duly registered with the AFC Member Association and undertaken by the appropriate body of the License Applicant.

P.10	Domestic KFA Competitions Criteria	
Head of Youth Development	C	

1. The Licence Applicant must appoint a Head of Youth Development (HYD) with a valid coaching diploma/licence responsible for managing and implementing all aspects of youth development matters including the Youth Development Programme (YDP).
2. The Head of the Youth Development must:
 - a) hold at least the AFC 'A' diploma/licence or its equivalence recognised and approved by AFC; or

- b) already have started the required education course, recognized by AFC, to achieve the required diploma as defined under (a) above;
- c) have specific youth coaching experience and/or supplementary certification/qualification related to coaching and managing young players; and
- d) have strong management and administration skills to ensure the efficient implementation of the programme, activities, roles and duties in collaboration with other relevant personnel.

P.11	Domestic KFA Competitions Criteria	
Youth Coaches	B	
<p>1. For each mandatory youth team, the Licence Applicant must have appointed at least one qualified coach who is responsible for all football matters related to that team.</p> <p>2. At least two (2) Youth Coaches must:</p> <ul style="list-style-type: none"> a) hold at least AFC 'B' coaching diploma/licence or its equivalence recognised and approved by AFC; b) have specific youth coaching experience and/or supplementary certification/qualification related to coaching and managing young players; and c) have strong competencies to ensure the efficient implementation of the technical programme to develop elite youth players in collaboration with other relevant personnel. <p>3. The other Youth Coaches must hold the minimum qualification as defined by the AFC Member Association which shall not be below the AFC Member Association's 'C' coaching diploma/licence or its equivalence recognised and approved by AFC.</p> <p>4. The youth coaches must be duly registered with the AFC Member Association and undertaken by the appropriate body of the Licence Applicant.</p>		

P.12	Domestic KFA Competitions Criteria	
Safety and Security Organisation - Stewarding	C	
<p>1. The Licence Applicant must have engaged qualified stewards to ensure safety and security at home matches. For this purpose, it must:</p> <ul style="list-style-type: none"> a) employ the stewards; or b) conclude a written contract with the Stadium owner providing the stewards; or an external security company providing stewards. 		

P.13	Domestic KFA Competitions Criteria	
Rights, Responsibilities and Duties	A	
<p>1. The rights, responsibilities and duties of the Licence Applicant's personnel mentioned in these Regulations must be defined in writing.</p>		

P. 14	Domestic KFA Competitions Criteria	
Duty of Replacement During the Licensing Season	A	

1. If a function defined in these Regulations becomes vacant during the season, the Licensee must ensure that, within a period of a maximum of sixty (60) days, the function is taken over by someone who holds the required qualification.
2. In the event that a function becomes vacant due to illness or accident, the Licensor may grant an extension to the sixty (60) day period only if reasonably satisfied that the person concerned is still medically unfit to resume duties.
3. The occurrence of vacancy and replacement must be notified to the Licensor within seven (7) working days of the respective event.

P.15	Domestic KFA Competitions Criteria	
Legal Advisor	C	
<ol style="list-style-type: none"> 1. The Licence Applicant must appoint a qualified legal advisor who is responsible to handle all legal matters in the Licence Applicant's activities. 2. The legal advisor shall have the necessary legal qualifications. 		

P.16	Domestic KFA Competitions Criteria	
Club Technical Director	C	
<ol style="list-style-type: none"> 1. The Licence Applicant must employ a Club Technical Director. 2. He should have at least an AFC 'A' Coaching diploma/licence and supplementary qualities like an extensive playing and work experience at the professional club level or have been a long serving dedicated member of the club as a player, coach, manager or advisor. 3. He must have strong management skills, visionary and lead the technical development of the club. 4. He shall be responsible for but not limited to the following: <ol style="list-style-type: none"> a) establish and/or implement club philosophy; b) establish Youth and Player Development Structures and Programmes; c) ensure technical standards are maintained and enhanced; d) monitor and evaluate all technical and developmental programmes; e) talent scouting; f) management of Club's Youth Academies; g) recruitment and management of coaches and talent scouts; and h) management of match analysis processes. 		

P.17	Domestic KFA Competitions Criteria	
Goalkeeper Coach of First Team	C	

1. The Licence Applicant must have appointed a qualified Goalkeeper Coach with a valid coaching diploma/licence for the first team.
2. The Goalkeeper Coach must:
 - a) hold at least the Minimum Coach Education Requirements (MCER) as stipulated by the AFC Competition Operations Manual; or
 - b) hold a Recognition of Experience and Current Competence (RECC) issued by AFC in compliance with the RECC regulations for cases where the Goalkeeper Coach does not have the required certification as defined under (a) above; or
 - c) already have started the required education course, recognized by AFC, to achieve the required diploma as defined under (a) above.

P.18	Domestic KFA Competitions Criteria	
Fitness Coach of First Team	C	

1. The Licence Applicant must have appointed a qualified Fitness Coach with a valid coaching diploma/licence for the first team.
2. The Fitness Coach must:
 - a) hold at least the Minimum Coach Education Requirements (MCER) as stipulated by the AFC Competitions Operations Manual; or
 - b) hold a Recognition of Experience and Current Competence (RECC) issued by AFC in compliance with the RECC regulations for cases where the Fitness Coach does not have the required certification as defined under (a) above; or
 - c) already have started the required education course, recognized by AFC, to achieve the required diploma as defined under (a) above.

Article 19: Legal Criteria

L.01	Domestic KFA Competitions Criteria	
Declaration in Respect of the Participation in Kuwait FA Club Competitions	C	

1. The Licence Applicant must submit a legally valid declaration confirming that:
 - a) it recognises as legally-binding the statutes, rules and regulations and decisions of FIFA, the AFC, its AFC Member Association and, if it exists as a separate legal entity, of its national league as well as the jurisdiction of the Court of Arbitration for Sport (CAS) in Lausanne as provided in the relevant articles of the AFC Statutes;
 - b) it recognises the exclusive jurisdiction of the Court of Arbitration for Sport (domiciled in Lausanne, Switzerland) for any dispute of international dimension and in particular involving FIFA and/or the AFC;
 - c) it recognises the prohibition on recourse to ordinary courts under the FIFA and AFC Statutes;
 - d) at national level, it will play in competitions that are recognised and endorsed by its AFC Member Association (e.g. national championship, national cup);
 - e) at international level, it will participate in competitions recognised and endorsed by the AFC and/or FIFA. To avoid any doubt, this provision does not relate to friendly matches;
 - f) it will abide by and observe the provisions and conditions of the national club licensing regulations;
 - g) its reporting perimeter is defined in accordance with Article 20.1 of these Regulations and it will be accountable for any consequences of an entity included in the reporting perimeter not abiding by and observing this declaration.
 - h) all submitted documents are complete and correct;
 - i) it authorises the competent Licensor and the AFC to examine documents and seek information and, in the event of any appeal procedure, to seek information from any relevant public authority or private body according to national law; and
 - j) it acknowledges that AFC reserves the right to execute compliance audits at national level in accordance with Article 21.3.
2. This declaration must be executed by an authorised signatory no more than three (3) months prior to the corresponding deadline for its submission to the Licensor.

--

L.02	Domestic KFA Competitions Criteria	
Legal Documents	A	
<p>1. The Licence Applicant must submit the following documents:</p> <ul style="list-style-type: none"> a) a copy of its current company articles, constitution, statutes or similar- type governing document; b) an extract from a public register (e.g. trade register) which demonstrates that the Licence Applicant is a legal entity which contains the following minimum information; <ul style="list-style-type: none"> i. registered name; ii. popular name; iii. address of headquarters; iv. legal form; v. list of authorised signatories and; vi. type of signature (e.g. individual, collective). c) (if applicable) the agreement between the Licence Applicant and the relevant member which has the right to participate in affiliated competitions of the AFC Member Association. 		

L.03	Domestic KFA Competitions Criteria	
Ownership and Control of Clubs	A	
<p>1. The Licence Applicant must submit a legally valid declaration outlining the ownership structure and Control mechanism of the club. Such declaration should ensure conformity with the conditions set out below.</p> <p>No natural or legal person involved in the management, administration and/or sporting performance of the club, either directly or indirectly:</p> <ul style="list-style-type: none"> a) holds or deals in the securities or shares that allows such person to exercise Significant Influence in the activities of any other club participating in the same competition; b) holds a majority of the shareholders' voting rights of any other club participating in the same competition; c) has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of any other club participating in the same competition; d) is a shareholder and alone Controls a majority of the shareholders' voting rights of any other club participating in the same competition pursuant to an agreement entered into with other shareholders of the club in question; e) is a member of any other club participating in the same competition; f) is involved in any capacity whatsoever in the management, administration and/or sporting performance of any other club participating in the same competition; and g) has any power whatsoever over the management, administration and/or sporting performance of any other club participating in the same club competition. <p>2. These declarations must be executed by an authorised signatory no more than three (3) months prior to the corresponding deadline for its submission to the Licensor.</p>		

L.04	Domestic KFA Competitions Criteria	
Legal Group Structure and Ultimate Controlling Party	A	

1. The Licence Applicant must provide the Licensor with information on the legal Group structure at the Statutory Closing Date prior to the deadline for the submission of the application to the Licensor. It must be presented in a chart and duly approved by management. The Licensor must be informed of any changes there may have been to the legal Group structure during the period between the Statutory Closing Date and the submission of the chart to the Licensor.
2. This document must clearly identify and include information on:
 - a) the Licence Applicant and, if different, the Registered Member of the AFC Member Association;
 - b) any Subsidiary of the Licence Applicant and, if different, the Registered Member of the AFC Member Association;
 - c) any Associate entity of the Licence Applicant and, if different, the Registered Member of the AFC Member Association;
 - d) any direct or indirect Controlling entity of the Licence Applicant, up to and including the ultimate Controlling party;
 - e) any party that has 10% or greater direct or indirect ownership of the Licence Applicant, or 10% or greater voting rights;
 - f) any party with a Significant Influence over the Licence Applicant;
 - g) any other football club, in respect of which any of the parties identified in (a) to (f) or any of their key management personnel have any ownership interest, voting rights, and/or any involvement or influence whatsoever in relation to the governance of its financial and operating policies; and
 - h) The reporting perimeter as defined in Article 20.1 must also be clearly identified in the document.
3. If deemed relevant the Licensor may request the Licence Applicant/Licensee to provide additional information other than that listed above (e.g. information about any subsidiaries and/or Associates of the ultimate Controlling entity and/or direct Controlling entity).
4. The following information must be provided in relation to all entities included in the legal Group structure:
 - a) Name of legal entity;
 - b) Type of legal entity;
 - c) Main activity of legal entity; and
 - d) Percentage of ownership interest (and, if different, percentage of voting power held).
5. For any Subsidiary of the Licence Applicant/Licensee and, if different, the Registered Member of the AFC Member Association, the following information must also be provided:
 - a) Share capital;
 - b) Total assets;
 - c) Total revenues; and
 - d) Total equity.

L.05	Domestic KFA Competitions Criteria	
Written Contract with Professional Players	A	
<p>1. The professional players of the Licence Applicant must have a written contract with the Licence Applicant in accordance with the relevant provisions of the FIFA Regulations for the Status and Transfer of Players and shall incorporate all key provisions required by the relevant national law and of FIFA, the AFC, and the AFC Member Association.</p>		

L.06	Domestic KFA Competitions Criteria	
Disciplinary Procedure and Code of Conduct for Players and Officials	B	
<p>1. The Licence Applicant shall establish a legally binding code of conduct for players and officials in compliance with the relevant national law, and the Statutes of FIFA, the AFC and the AFC Member Association.</p> <p>2. The code of conduct should be supplemented by a legally binding disciplinary regulation under which the infringement of the code of conduct, club rules, club regulations, and club decisions shall be prosecuted and sanctions may be applied.</p>		

Article 20: Financial Criteria

1. Reporting Entity/Entities and reporting perimeter

- a) The Licence Applicant determines and provides to the Licensor the reporting perimeter, i.e. the entity or combination of entities in respect of which financial information (e.g. single entity, consolidated or combined financial statements) has to be provided.
- b) The reporting perimeter must include:
 - i. the Licence Applicant and, if different, the Registered Member of the AFC Member Association;
 - ii. any Subsidiary of the Licence Applicant and, if different, the Registered Member of the AFC Member Association;
 - iii. any other entity included in the legal Group structure which generates revenues and/or performs services and/or incurs costs in respect of the football activities defined in paragraph c) iii. to x. below;
 - iv. any entity, irrespective of whether it is included in the legal Group structure, which generates revenues and/or performs services and/or incurs costs in respect of football activities as defined in paragraph c) i. and ii. below.
- c) Football activities include:
 - i. employing/engaging personnel (as defined in Criteria F.04) including payment of all forms of consideration to employees arising from contractual or legal obligations;
 - ii. acquiring/selling players' registrations (including loans);
 - iii. ticketing;
 - iv. sponsorship and advertising;
 - v. broadcasting;
 - vi. merchandising and hospitality;
 - vii. club operations (e.g. administration, matchday activities, travel, scouting, etc.);
 - viii. financing (including financing secured or pledged against the assets of the Licence Applicant);
 - ix. use and management of Stadium and Training Facilities; and
 - x. youth sector.
- d) An entity may be excluded from the reporting perimeter only if:
 - i. its activities are entirely unrelated to the football activities defined in paragraph c) above and/or the locations, assets or brand of the football club; or
 - ii. it is immaterial compared with all the entities that form the reporting perimeter and it does not perform any of the football activities defined in paragraph c) i. and ii. above; or
 - iii. the football activities it performs are already entirely reflected in the financial statements of one of the entities included in the reporting perimeter.
- e) The Licence Applicant must submit a declaration by an authorised signatory which confirms:
 - i. that all revenues and costs related to each of the football activities indicated in paragraph c). have been included in the reporting perimeter and provide a detailed explanation should this not be the case; and
 - ii. whether any entity included in the legal Group structure has been excluded from the reporting perimeter, justifying any such exclusion with reference to paragraph d).

2. For further information on the mandatory reporting period and the minimum requirements on the format of reporting and accounting, as well as a detailed explanation of each of the criteria below, please refer to the AFC Club Licensing Financial Handbook.

F.01	Domestic KFA Competitions Criteria	
Annual Financial Statements - Audited	A	

1. Regardless of the legal structure of the Licence Applicant, Annual Financial Statements based on the local legislation for incorporated companies shall be prepared and Audited by an independent auditor.
2. The Audited Annual Financial Statement shall be in respect of the Statutory Closing Date immediately prior to the deadline for submission of the List of Licensing Decisions to AFC and must consist of:
 - a) a balance sheet;
 - b) a profit and loss account;
 - c) a cash flow statement;
 - d) notes, comprising a summary of significant Accounting Policies and other explanatory notes; and
 - e) a financial Review by management.
3. The Audited Annual Financial Statements shall meet the minimum disclosure requirements and accounting principles set out in the AFC Club Licensing Financial Handbook.
4. If the Audited Annual Financial Statements do not meet the minimum disclosure requirements and accounting principles set out in the AFC Club Licensing Financial Handbook, then Supplementary Information must be prepared by the Licence Applicant and assessed by the auditor.

F.02	Domestic KFA Competitions Criteria	
Financial Statements for the Interim Period - Reviewed	C	
<ol style="list-style-type: none"> 1. If the Statutory Closing Date of the Licence Applicant is more than six (6) months before the deadline for submission of the List of Licensing Decisions to AFC, then the Licence Applicant shall prepare and submit additional financial statements covering the Interim Period. 2. If the Financial Statements for the Interim Period are prepared and submitted, they should cover the Interim Period up to a date within six (6) months preceding the deadline for submission of the List of Licensing Decisions to AFC and must be Reviewed or Audited by an independent auditor. 3. The Interim Financial Statements shall meet the minimum disclosure requirements and accounting principles set out in the AFC Club Licensing Financial Handbook. 		

F.03	Domestic KFA Competitions Criteria	
No Overdue Payables Towards Football Clubs Arising from Transfer Activities	A	
<ol style="list-style-type: none"> 1. The Licence Applicant must prove that it has no overdue payables towards football clubs arising from transfer activities as at 31 December preceding the season to be licensed, unless by the following 31 March they have been fully settled, deferred by mutual agreement with the creditor or are subject to a not obviously unfounded dispute submitted to a competent authority. 		

F.04	Domestic KFA Competitions Criteria	
No Overdue Payables Towards Employees and Social / Tax Authorities	A	
<ol style="list-style-type: none"> 1. The Licence Applicant must prove that, in respect of contractual and legal obligations with its current/former employees and social/tax authorities it has no overdue payables as at 31 December preceding the season to be licensed, unless by the following 31 March they have been fully settled, deferred by mutual agreement with the creditor or are subject to a not obviously unfounded dispute submitted to a competent authority. 2. The term “employees” shall include but not limited to: <ol style="list-style-type: none"> a) all professional players according to the applicable FIFA Regulations on the Status and Transfer of Players; and b) the administrative, technical, medical and security staff specified in the AFC Club Licensing Regulations. 		

F.05	Domestic KFA Competitions Criteria	
Written Representations Prior to the Licensing Decision	A	
<ol style="list-style-type: none"> 1. Within seven (7) days prior to the date on which the licensing decision is to be made by the First Instance Body, the Licence Applicant must make written representations to the Licensor. 2. The written representations shall confirm: <ol style="list-style-type: none"> a) That all documents submitted to the Licensor are complete and correct; b) Whether or not any Significant Change in relation to all the licensing criteria has occurred; c) Whether or not any Events or Conditions of Major Economic importance have occurred that may have an adverse impact on the Licence Applicant's financial position since the balance sheet date of the preceding Audited Annual Financial Statements or Reviewed Interim Financial Statements (if applicable). If Any Events or Conditions of Major Economic Importance have occurred, the management representations letter must include a description of the nature of the event or condition and an estimate of its financial effect, or a statement that such an estimate cannot be made; and d) Whether or not the Licence Applicant (or the Registered Member of the AFC Member Association which has a contractual relationship with the Licence Applicant within the meaning of Article 12) or any Parent company of the Licence Applicant included in the reporting perimeter is seeking or has received protection from its creditors pursuant to laws or regulations within the 12 months preceding the Licence Season. 3. Approval by management must be evidenced by way of a signature on behalf of the executive body of the Licence Applicant. 		

F.06	Domestic KFA Competitions Criteria	
Future Financial Information	C	
<ol style="list-style-type: none"> 1. The Licence Applicant must prepare and submit Future Financial Information in order to demonstrate to the Licensor its ability to continue as a Going Concern until the end of the Licence Season if it has breached any of the indicators defined in paragraph 2 below. 2. If a Licence Applicant exhibits any of the conditions described by indicator 1 or 2, it is considered in breach of the indicator: <ol style="list-style-type: none"> a) Indicator 1: Going Concern The auditor's report in respect of the Annual or Interim Financial Statements submitted in accordance with F.01 and F.02 includes an emphasis of matter or a qualified opinion/conclusion in respect of Going Concern b) Indicator 2: Negative equity The Annual Financial Statements (including, where required, the Supplementary Information) submitted in accordance with F.01 disclose a net liabilities position that has deteriorated relative to the comparative figure contained in the previous year's Annual Financial Statements, or the Interim Financial Statements submitted in accordance with F.02 (including, where required, the Supplementary Information) disclose a net liabilities position that has deteriorated relative to the comparative figure at the preceding Statutory Closing Date. 3. Future Financial Information must cover the period commencing immediately after the later of the Statutory Closing Date of the Annual Financial Statements or, if applicable, the balance sheet date of The Interim Financial Statements, and it must cover at least the entire Licence Season. 4. Future Financial Information consists of: <ol style="list-style-type: none"> a) a budgeted profit and loss account, with comparative figures for the immediately preceding Financial Year and Interim Period (if applicable); b) a budgeted cash flow, with comparative figures for the immediately preceding Financial Year and 		

- Interim Period (if applicable); and
- c) explanatory notes, including a brief description of each of the significant assumptions (with reference to the relevant aspects of Historic Financial Information) that have been used to prepare the budgeted profit and loss account and cash flow statement, as well as of the key risks that may affect the future financial results.
5. Future Financial Information must be prepared, on a quarterly basis.
 6. Future Financial Information must be prepared on a consistent basis with the Audited Annual Financial Statements and follow the same Accounting Policies as those applied for the preparation of the Annual Financial Statements, except for accounting policy changes made after the date of the most recent Annual Financial Statements that are to be reflected in the next Annual Financial Statements, in which case details must be disclosed.
 7. Future Financial Information must meet the minimum disclosure requirements as set out in the AFC Club Licensing Financial Handbook. Additional line items or notes must be included if they provide clarification or if their omission would make the Future Financial Information misleading.
 8. Future Financial Information with the assumptions upon which they are based must be approved by management and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the Reporting Entity.

F.07	Domestic KFA Competitions Criteria	
Annual Budget	A	

1. The Licence Applicant must submit its annual Budget before the start of the season. It should state the following:
 - a) projected income for the coming Financial Year;
 - b) projected expenditure for the coming Financial Year;
 - c) all the sources of revenues and income projected for the coming Financial Year along with the amount; and
 - d) all the sources of expenditures projected for the coming Financial Year along with the amount.

SUBSEQUENT INFORMATION

Criteria F.08 and F.09 apply to Licensees after the Licensing Decision. Criterion F.08 (duty to notify Subsequent Events) applies to all Licensees. Criterion F.09 (duty to update Future Financial Information) only applies to those Licensees who exhibited a breach of one or more of the indicators.

F.08	Domestic KFA Competitions Criteria	
Duty to Notify Subsequent Events	C	

1. Following the licensing decision by the decision-making body, the Licensee must promptly notify the Licensor in writing about any Subsequent Events that may cast significant doubt upon the Licensee's ability to continue as a Going Concern until at least the end of the season for which the Licence has been granted.
2. Compliance with this criterion shall be assessed by the Licensor in respect of the following licensing cycle.

F.09	Domestic KFA Competitions Criteria	
------	------------------------------------	--

Duty to Update Future Financial Information	C	
<p>1. If the Licensee is in breach of one or more of the below indicators, then the Licensee must prepare and submit an updated version of the Future Financial Information (prepared according to F.06). In addition, the prepared information shall include a comparison of Budget to actual figures including explanations of variances. The updated version of the Future Financial Information must be prepared, as a minimum, on a six (6) month basis.</p> <p><i><u>Indicator 1: Going concern</u></i></p> <p>The auditor's report in respect of the Annual or Interim Financial Statements submitted in accordance with F.01 and F.02 includes an emphasis of matter or a qualified opinion/conclusion in respect of Going Concern.</p> <p><i><u>Indicator 2: Negative equity</u></i></p> <p>The Annual Financial Statements (including, where required, the Supplementary Information) submitted in accordance with F.01 disclose a net liabilities position that has deteriorated relative to the comparative figure contained in the previous year's Annual Financial Statements, or the Interim Financial Statements submitted in accordance with F.02 (including, where required, the Supplementary Information) disclose a net liabilities position that has deteriorated relative to the comparative figure at the preceding Statutory Closing Date.</p> <p>2. The updated Future Financial Information shall meet the minimum disclosure requirements set out in the AFC Club Licensing Financial Handbook.</p> <p>3. Compliance with this criterion shall be assessed by the Licensor in respect of the following licensing cycle.</p>		

Article 21: Final Provisions

1. IMPLEMENTING PROVISIONS

The Kuwait FA General Secretariat shall take the decisions and adopt, in the form of directives, the detailed provisions necessary for implementing these Regulations. The Kuwait FA reserves the right to make amendments to any part of these Regulations for any reason whatsoever. Such amendments shall be duly communicated in due course.

2. MATTERS NOT PROVIDED FOR

Matters not provided for in these Regulations shall be decided by the KFA Administration. Such decisions are final and binding and not appealable.

3. COMPLIANCE AUDITS

- a) The AFC and/or its nominated bodies/agencies reserve the right to, at any time, conduct compliance audits of the Licensor and Licence Applicant/ Licensee.
- b) Compliance audits aim to ensure that the Licensor, as well as the Licence Applicant/Licensee, have fulfilled their obligations as defined in these Regulations and that the Licence was correctly awarded at the time of the final decision of the Licensor. Non-cooperation of the Licensor or the Licensee to execute a compliance audit shall be referred to the AFC judicial bodies for its appropriate action.
- c) In the event of a discrepancy between these Regulations and the AFC club licensing regulations, the AFC club licensing regulations shall be authoritative.

4. ENFORCEMENT

- a) These Regulations shall be applicable for the granting of licence to participate in all Kuwait FA club competitions commencing from the sporting season 2023 onwards.
- b) **These Regulations were ratified by the Kuwait FA Executive Committee in its meeting no. 1/2023 on 23 January 2023 and came into force immediately.**